

MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

BOARD MEETING

Hilton Branson Convention Center
Bee Creek Room
Branson, Missouri

Friday, 8:19 A.M.
December 14, 2018

BOARD MEMBERS PRESENT:

Arby Todd, Frank Buck, Bob Ashcroft, Barry McCullough, Joan Jadali (via conference call), Claire Scoville and Sandy Walker.

OTHERS PRESENT:

Robert Wilson, Executive Secretary; Brian Collett, Chief Investment Officer; Jeff Kempker, Assistant Executive Secretary, Member Services; Tami Jaegers, Assistant Executive Secretary, Operations; Pam Hopkins, Compliance Officer/Internal Auditor; Melissa Rackers, Chief Financial Officer; Jason Paulsmeyer, Chief Counsel; Megan Loehner, Director of Investments; Elizabeth Althoff, Legislative & Communication Coordinator and Jan Kinard, Administrative Assistant.

Meeting Convened

A meeting of the Board of Trustees of the Missouri Local Government Employees Retirement System was held at the Hilton Branson Convention Center Bee Creek Room, Branson, Missouri, on Friday, December 14, 2018. Arby Todd called the meeting to order at 8:19 A.M.

Consent Agenda

A motion was made by Bob Ashcroft and seconded by Barry McCullough to approve the Consent Agenda, as revised, except for Buddy Montgomery, Duty Disability, City of Independence

Motion carried 7-0.

A motion was made by Frank Buck and seconded by Claire Scoville to deny the Duty Disability of Buddy Montgomery, City of Independence.

Motion carried 6-0, Arby Todd abstained.

Visitor's Comment

No visitors present.

Audit & Finance Committee Report

Joan Jadali reported on discussions held in the Audit & Finance Committee meeting. Pam Hopkins, Compliance/Internal Auditor and Melissa Rackers, Chief Financial Officer, presented

the Fiscal Year 2018 SOC 1 Type 2 Report and the Schedule of Changes in Fiduciary Net Position by Employer Report to the committee. Pam Hopkins discussed the staff recommendation to increase the Option D payment amount. The Compliance and Internal Audit Plan for 2019 was presented by Pam Hopkins and approved by the committee.

Governance Committee Report

Frank Buck reported no discussion on behalf of the Governance Committee.

Legislative Committee Report

Claire Scoville reported no discussion on behalf of the Legislative Committee.

Chief Investment Officer's Report

Megan Loehner notified the Board of investments the Investment Staff has committed to since the previous Board Meeting.

Megan Loehner presented the Statement of Investment Policy & Objectives Draft.

A motion was made by Barry McCullough and seconded by Joan Jadali to approve the Statement of Investment Policy & Objectives.

Motion carried 7-0.

Brian Collett gave a report on 3rd Quarter 2018 Performance Highlights, Missouri OPEB, and LAGERS Staff Plan.

Member Services / Operations Report

Jeff Kempker and Tami Jaegers gave an update on activities from the Member Services and Operations Departments and the Legacy Plan Administration.

Jeff Kempker gave a report on the survey results from the Annual Meeting held October 25 and October 26, 2018 at Sheraton Westport Chalet Hotel, St. Louis, Missouri and discussed the locations of the 2019 and 2020 Annual Meetings.

Executive Secretary's Report

Robert Wilson discussed the appointment of a Hearing Officer in the petition of Jeffrey Prosser.

A motion was made by Bob Ashcroft and seconded by Claire Scoville that Attorney Jamie J. Cox be appointed as Hearing Officer in the petition of Jeffrey Prosser, Duty Disability Petition for Administrative Hearing; that Mr. Cox conduct a hearing in these matters and present proposed findings of fact and conclusions of law to the Board of Trustees pursuant to Section 70.605.16 RSMo and 16 CSR 20-3.010.

Motion carried 7-0.

Robert Wilson discussed the appointment of a Hearing Officer in the petition of Susan Adams.

**A motion was made by Bob Ashcroft and seconded by Claire Scoville that Attorney Daniel Jordan be appointed as Hearing Officer in the petition of Susan Adams, Non-Duty Disability Petition for Administrative Hearing; that Mr. Jordan conduct a hearing in these matters and present proposed findings of fact and conclusions of law to the Board of Trustees pursuant to Section 70.605.16 RSMo and 16 CSR 20-3.010.
Motion carried 7-0.**

Robert Wilson discussed the appointment of a Hearing Officer in the petition of Denise Treece.

**A motion was made by Bob Ashcroft and seconded by Claire Scoville that Attorney David Bandre be appointed as Hearing Officer in the petition of Denise Treece, Non-Duty Disability Petition for Administrative Hearing; that Mr. Bandre conduct a hearing in these matters and present proposed findings of fact and conclusions of law to the Board of Trustees pursuant to Section 70.605.16 RSMo and 16 CSR 20-3.010.
Motion carried 7-0.**

Pam Hopkins reported that all Board Members met the required educational sessions for 2018 and discussed the 2019 Trustee Educational Conference dates.

Robert Wilson discussed the LAGERS Strategic Plan.

Pam Hopkins discussed the Option D payment amounts as presented in the Audit and Finance Committee.

Chairman's Report

Arby Todd led a discussion on the Board Self-Evaluation.

**A motion was made by Barry McCullough and seconded by Bob Ashcroft to go into Executive Session for litigation and advice from Counsel regarding legal matters pursuant to section 610.021 (1) & (14). A roll call vote was taken.
Motion carried 7-0.**

Open Session reconvened at 10:22 A.M.

Adjournment

**A motion was made by Bob Ashcroft and seconded by Barry McCullough to adjourn the December Board Meeting of LAGERS at 10:23 A.M. on December 14, 2018.
Motion carried 7-0.**

Respectfully submitted,

Robert L. Wilson
Executive Secretary

Education Session

Brian Collett and Megan Loehner led a discussion on Investment Topics.

Pam Hopkins led a discussion on Reputation and Fiduciary Conduct.

Jeff Kempker and Elizabeth Althoff led a discussion on Strategic Communications Plans.